

Smart Work: Benefit or Cost?

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Abstract: This research focuses on the importance of implementing Smart Work and Empowerment in improving job satisfaction and employee performance, especially in companies engaged in technology education. In today's digital era, companies are required to adapt to change and utilize technology to increase productivity. The purpose of this study was to analyze the effect of Smart Work and Empowerment on job satisfaction and employee performance in Edutech companies. The research method used is a quantitative approach with variable measurement consisting of two exogenous variables (Smart Work and Empowerment) and two endogenous variables (Job Satisfaction and Performance). Data was collected through questionnaires distributed to 190 employees. Descriptive analysis and regression analysis were used to test the proposed hypothesis. The results showed that there is an effect of Smart Work and Empowerment can increase job satisfaction. In addition, job satisfaction is also able to improve employee performance. The implementation of Smart Work can increase job satisfaction. While empowerment does not make employee performance increase. So with these results companies in the edutech industry should focus more on developing and implementing smart work policies. Then, companies in the edutech industry must be more active in implementing empowerment strategies. This can be done by giving employees more freedom and authority in making decisions related to their work.

Keyword: Smart Work, Empowerment, Job Satisfaction, Performance, Edutech

INTRODUCTION

The fast-paced development of the internet has guided us into the digital age, significantly changing the operational landscape of companies. In this context, digital transformation for companies is not only an option, but a necessity to maintain competitiveness and business continuity (Loonam et al., 2018). After the end of the COVID-19 pandemic, which has hit the world since the first quarter of 2020, many companies continue to implement remote working methods, also known as Work from Home (WFH), where employees can work from home or a different location from the office. This shows that companies have successfully adapted to digitalization and are benefiting from the flexibility and efficiency that smart work offers. From here, the concept of remote working is increasingly popular, especially among digital workers (Shareena & Shahid, 2020).

The concept of smart work refers to the implementation of work with the help of Information and Communication Technology (ICT). In line with the current Work from Home

(WFH) policy, one of the applications of the smart work concept is remote working, previously known as telework. It encompasses an alternative concept where employees can perform their duties from a location different from their main work location, either on a daily basis or on a specific schedule (Gajendran & Harrison, 2007). This smart work approach brings efficiencies to employees, including savings in travel time to the office, reduced transportation costs, as well as potential reduced costs for formal wear. Furthermore, this approach can reduce stress levels that may arise. Krzystofiak & Newman (1980) underline that the obligation to arrive on time at the office can cause stress on employees, given that lateness is often perceived as an act of disrespect in the work environment.

Empowerment refers to the company's efforts to provide trust, freedom, and authority to employees in making decisions relevant to the implementation of their duties and work (Rae, 2013). During the COVID-19 pandemic, where companies are no longer able to physically supervise employees during working hours due to the WFH policy, the concept of empowerment has become increasingly important as a form of company support in dealing with this situation. This change indicates a shift in the way the company organizes the work system that has been in place.

Performance includes various dimensions that refer to the ability of individuals and their contribution in achieving the goals that have been set. Every company hopes that employee performance will continue to increase. However, the reality is that not all companies achieve the expected expectations or even sometimes exceed them. Unachieved plans and targets are common, indicating variations in company performance (Veronica & Koto, 2020). According to Luthans & Avolio (2009), job satisfaction includes cognitive, emotional, and attitudinal aspects of individuals towards the work they do. The more work activities align with individuals' values and expectations, the higher their level of satisfaction with the job.

Several experts and previous studies have found that smart work and empowerment have a significant influence on employee performance through job satisfaction. Smart work provides flexibility and work-life balance, while empowerment provides trust and autonomy to employees. Bloom et al. (2015) argued that remote working supported by ICT technology can increase employee productivity. Research conducted by Bloom and his team found that employees who worked from home showed increased productivity compared to those who worked in traditional offices. The flexibility offered by remote working allows employees to work in a more comfortable environment and according to their work rhythm, which contributes to higher efficiency.

Although a number of studies have examined the direct influence between smart work, empowerment, performance, and job satisfaction, this study has significant differences with previous studies. Many studies have been conducted, but few have integrated all four variables into the study, especially those focusing on employees in Edutech companies. This study aims to fill the knowledge gap by simultaneously examining the effect of smart work and empowerment on performance through the intervening variable of job satisfaction in technology companies. In addition, this study distinguishes itself by measuring job satisfaction variables in the context of technology education companies in Indonesia based on the dimensions proposed by (Luthans & Avolio, 2009).

Based on the limitations of previous research, the purpose of this study is to provide a deeper understanding of the impact of smart work and empowerment on performance through employee job satisfaction in technology education companies. This research aims to provide a more comprehensive insight into the influence of smart work and empowerment on employee performance in technology companies.

METHOD

This study adopts a causal research design to examine the cause-and-effect relationship between these variables. The measurement method uses a survey with a questionnaire as the

data collection instrument conducted online, and the data collected is considered primary data. The research population was employees in technology education companies around the Jakarta area. The sampling technique used non-probability sampling with a purposive sampling method, and the research sample consisted of permanent employees with staff positions who worked in Smart Work. The sample size was expected to be around 190 people, based on the guidelines outlined by (Hair et al., 2013).

Validity tests were conducted by considering the Kaiser-Meyer-Olkin (KMO) and Measures of Sampling Adequacy (MSA) sampling measures, with a minimum score of 0.500. This study uses the Structural Equation Modeling (SEM) method with LISREL software to test the effect of intervening variables in the structural equation model. The SEM method allows the analysis of complex relationships between variables, both observed and unobserved, so it is expected to contribute to the development of science and practice in related fields.

RESULTS AND DISCUSSION

Respondent Description

The characteristics of the research respondents were grouped into four categories, including gender, age, education, contract length of service, and work position. Results shows that of the respondents who participated in this study, 99 of them were male because in companies that focus on technology education and innovation, the majority of workers are male.

Furthermore, the characteristics of respondents in this study are divided into four age groups, namely less than 18-26 years, 27-42 years, 43-58 years, and 59-77 years. Results it can be seen that the majority of respondents are aged 27-42 years, namely 51 respondents. This is because companies that focus on technology education tend to attract young professionals who already have relevant work experience and skills.

Furthermore, the characteristics of respondents in this study are divided into four groups of job fields, namely Technology Team, Business Team, Sales & Marketing, and Management. Results it can be seen that the majority of respondents are in the Sales & Marketing job field, namely 53 respondents. This is because companies that focus on technology education require a strong marketing strategy to introduce their products and services to a wider market.

The level of education shows and the thinking power possessed by a respondent. Therefore, in this study, the level of education of respondents can be classified into three parts, namely SMA / SMK, D3, S1, and S2. The results show that most respondents have a Master's Degree as many as 52 respondents. This is because companies that focus on technology education require a workforce that has in-depth knowledge and specialized skills that are usually obtained through further education.

Data Analysis Results

The results in the study have met the overall requirements from the results of the Composite Reliability and Average Variance Extracted values. The Composite Reliability (CR) test value must have a value above 0.6 as a reliability requirement. It can be seen that CR and AVE on smart work variables (CR = 0.9286; AVE = 0.6194), empowerment (CR = 0.9328; AVE = 0.6068), job satisfaction (CR = 0.8026; AVE = 0.6738), performance (CR = 0.7141; AVE = 0.5559). In this case, the reliability of the 4 variables above has good consistency.

This study analyzes the structure test in order to determine the value of R² in each equation, with the aim of showing how far the independent variable can explain the dependent variable. Based on SEM analysis, the first analysis results obtained, smart work variables and empowerment variables affect job satisfaction with an R² value of 0.1690. Thus, it can be interpreted that 16.9% of the variance of job satisfaction can be explained by the smart work and empowerment variables, while the remaining 83.1% can be explained by other variables not included in this study. Then the second analysis of smart work, empowerment, and job

satisfaction variables affects the performance variable with an R22 value of 0.2549. Thus, it can be interpreted that 25.49% of the variance of performance can be explained by the variables of smart work, empowerment and job satisfaction, while the remaining 74.51% can be explained by other variables not contained in this study.

The next stage is model fit testing which is an important step in research, especially those involving data analysis and hypothesis testing. This stage will evaluate whether the resulting model is a good model (fit) or not using several indicators. The P-Value indicator of 0.9440 which is greater than the required value > 0.05, indicates that the model fits the data. RMSEA (Root Mean Square Error of Approximation) has a value of 0.03595 which is smaller than the required value < 0.1, also indicating the suitability of the model. CFI (Comparative Fit Index) with a value of 0.9902 is greater than the required value > 0.9, and NFI (Normed Fit Index) with a value of 0.9570 which is also greater than the required value > 0.9, both indicating good model fit. Finally, the SRMR (Standardized Root Mean Square Residual) with a value of 0.04990 which is smaller than the required value < 0.1, reinforces the conclusion that this model fits the data. Overall, all indicators in the table meet the specified value requirements, indicating that the tested model has a good fit to the data.

Thus, it can be concluded that the resulting model is not only appropriate, but also very suitable for use in further analysis. This provides a strong basis for concluding that the relationships identified in the model are reliable and valid.

Furthermore, the results of this data analysis are depicted through the T-Value diagram as follows:

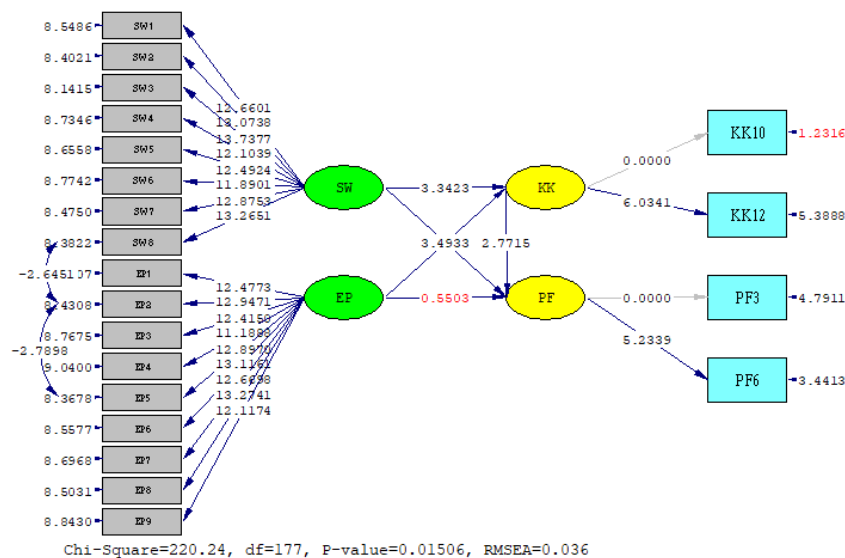


Figure 1 Diagram T-Value

The T-Value diagram above is a path diagram that shows the relationship between several variables in the research model. The diagram shows that SW (Smart Work) and EP (Empowerment) variables are related to KK (Job Satisfaction) and PF (Performance). Each variable is measured by several indicators. SW variables are measured by SW1 to SW8 indicators, and EP variables are measured by EP1 to EP9 indicators. KK variables are measured by KK10 and KK12 indicators, while PF variables are measured by PF3 and PF6 indicators. Each arrow from the indicator to the latent variable shows the loading factor, which indicates the strength of the relationship between the indicator and the latent variable. The numbers on the paths between latent variables indicate regression coefficients, which indicate the magnitude of the influence of one latent variable on another.

From this figure, the research hypothesis testing can be presented through the following table:

Table 1 Hypothesis Test of Research Results

Hypothesis	Hypothesis Statement	T-Value	Description
H1	Smart Work has a positive effect on Job Satisfaction	3,3423	Data Supports Hypothesis
H2	Empowerment has a positive effect on Job Satisfaction	3,4933	Data Supports Hypothesis
H3	Job Satisfaction has a positive effect on Performance	2,7715	Data Supports Hypothesis
H4	Smart Work has a positive effect on Performance	3,4933	Data Supports Hypothesis
H5	Empowerment has a positive effect on Performance	0,5503	Data Does Not Support Hypothesis

Table 1. Hypothesis Test The results show that of the five hypotheses tested, four of them are supported by data with significant T-values. The first hypothesis (H1) smart work has a positive effect on job satisfaction with the test results showing a T-value of 3.3423, which supports this hypothesis. The second hypothesis (H2) states that empowerment has a positive effect on job satisfaction with a T-value of 3.4933, also supported by the data. The third hypothesis (H3) states that job satisfaction has a positive effect on performance, with a T-value of 2.7715, supporting this hypothesis. The fourth hypothesis (H4) states that smart work has a positive effect on performance, with a T-Value of 3.4933, and the data supports this hypothesis.

However, the fifth hypothesis (H5) which states that empowerment has a positive effect on performance is not supported by the data, with a T-value of 0.5503. Overall, four of the five hypotheses proposed in this study are supported by the data, showing a significant influence between the variables tested.

Discussion

The data analysis conducted in this study revealed interesting findings regarding the effect of implementing the Smart Work and Empowerment concepts on employee performance. The results of hypothesis testing show a significant relationship between the variables studied, with four of the five hypotheses proposed getting empirical support. These findings make an important contribution to our understanding of the factors that influence employee performance in the digital era.

In the edutech industry the more companies implement smart work the more satisfied employees will be, as revealed in this study the majority of the 99 respondents who participated were male, reflecting the demographics of companies focused on technology education and innovation. Smart work offers flexibility that is highly valued by workers, especially in an industry dominated by men who may have family responsibilities and the need to balance work and personal life. The majority of respondents are between 27-42 years old, an age group that often already has relevant work experience and skills. Young professionals in this age range typically appreciate the flexibility that smart work offers as it allows them to work from anywhere and at any time, allowing them to manage their time more effectively. This flexibility is especially important for young professionals who may still be actively seeking opportunities to learn and grow in their careers.

In addition, the majority of respondents work in Sales & Marketing, which requires intensive interaction with markets and customers. Jobs in this field often require high mobility and quick response to market changes. With smart work, Sales & Marketing employees can use information technology to increase their productivity and efficiency, allowing them to do their jobs more effectively from anywhere. It also allows them to be more flexible in planning meetings with clients or attending marketing events, which ultimately increases job

satisfaction. Most respondents have a Master's level of education, which indicates that they have in-depth knowledge and specialized expertise. Professionals with higher levels of education tend to value more the autonomy and responsibility that smart work provides. They tend to have a good ability to use information technology to get the job done efficiently, and smart work allows them to fully utilize these skills. This result is in line with Kim & Seo (2021) which found that smart working environment increases worker satisfaction and organizational commitment.

Empowerment can increase employee satisfaction in the edutech industry. The more companies implement empowerment, the higher employee job satisfaction will be. Empowerment plays an important role in giving employees a greater sense of control and responsibility, which in turn increases their job satisfaction. This study shows that the majority of respondents are male, reflecting the demographics of edutech companies that focus on technology and innovation. In this environment, employees generally aged between 27-42 years old, who are young professionals with relevant skills, highly value the opportunity to play an active role in decision-making and have autonomy in their work.

Most respondents work in Sales & Marketing, where the application of empowerment enables them to develop and implement effective strategies to market products and services. In this context, empowerment helps employees feel that they have the authority to determine the best way to complete their work, which is crucial in meeting the needs of a dynamic and competitive market. In addition, with the majority of respondents having a Master's level of education, it shows that they have in-depth knowledge and specialized skills. With empowerment, these highly educated employees can utilize their expertise to the fullest and feel more valued as their contributions directly affect the success of the company. Empowered employees feel that they have control over how they complete their work and feel the results of their contributions directly. This is in line with their feeling that their work has a clear purpose and significant impact. This result is supported by research by Ko et al. (2021) found that smart work improves organizational performance.

In the edutech industry, the more the company pays attention to the job satisfaction of its employees, it will improve the performance of these employees. Job satisfaction plays an important role in motivating employees to give their best in their work. This research shows that employees who are satisfied with their jobs tend to perform better. For example, employees who like their jobs to match their fields or abilities will be more motivated and productive. Likewise, flexibility in working hours and the ability to work remotely also contribute to their job satisfaction and effectiveness.

In addition, adequate pay and opportunities for promotion play a role in increasing job satisfaction. Employees who feel that their salaries are adequate and have clear promotion prospects feel more valued and encouraged to work harder. Good relationships with supervisors and coworkers also create a conducive and supportive work environment, which in turn improves employee performance. Comfortable and non-stressful working conditions are also important. Employees who work in a supportive and less stressful environment feel mentally healthier and better equipped to deal with work challenges. This is especially relevant for young professionals in the edutech industry who have specialized skills and high expertise, as reflected by the majority of respondents having a Master's degree and working in Sales & Marketing. This result is in line with previous studies showing that job satisfaction improves performance (Loan, 2020; Inayat and Jahanzeb Khan 2021; Rinny, Purba, and Handiman 2020).

In the edutech industry, the implementation of smart work by companies will be effective and improve employee performance. The concept of smart work, which includes the use of information technology and flexibility in the way and location of work, allows employees to work more efficiently and productively. This research shows that employees who can work from a location of their choice and have time flexibility tend to feel more satisfied

and motivated. This flexibility allows them to tailor their work to their personal needs, thereby reducing stress and increasing focus in their tasks. Furthermore, information technology that supports smart work facilitates employees in completing work more quickly and accurately. Employees who feel that they have access to the right tools and technology to carry out their tasks report improvements in their work efficiency. By being able to work remotely or with flexible hours, they can also make better use of their time, which has a positive impact on the quality and quantity of their work output.

In terms of respondent demographics, the majority of employees who are between 27-42 years old and have a high level of education, such as a master's degree, generally seek flexibility and efficiency in their work. They value the opportunity to work from a convenient location and on their own time, which is in line with smart work principles. This age group, being at a more mature career stage, tends to have developed skills and knowledge that allow them to work independently and productively. For them, flexibility in working time and location not only increases convenience but also supports work effectiveness. Employees in sales & marketing, in particular, need efficient ways to manage tasks and interact with clients and markets. Smart work, with its flexibility and use of technology that supports working from anywhere at any time, is an effective tool in meeting this need. The flexibility offered allows them to organize work schedules according to client and project needs, and respond to market demands more quickly and efficiently. This result is supported by Mathew & Nair (2022) which says that empowerment has a positive and significant effect on job satisfaction.

In the edutech industry, companies that do empowerment do not have a big impact on their performance. In terms of the demographics of the respondents, the majority are between 27-42 years old with a high level of education, such as a master's degree, and work in sales & marketing. Although employees in this group often feel that their work has a clear purpose and they understand how their contribution affects the success of the company, and feel capable of completing tasks well, the granting of additional authority from the company does not always directly improve their performance. Respondents felt that they had the necessary skills and knowledge to do their jobs effectively and believed that their superiors and coworkers trusted them to carry out their assigned tasks. They also think their contributions are recognized and valued and can see the results of their work.

While these factors support job satisfaction and create a positive work environment, it appears that granting further authority does not directly contribute to improved performance in sales & marketing. This may suggest that in the context of their already highly autonomous and skilled work, other aspects such as work flexibility, supportive tools and technology, and a clear reward system may be more decisive in influencing their performance. These results differ from research by Rae (2013), Karatepe (2012), and Al-Dhaafri et al. (2016) who say that if the company does empowerment, it will improve performance.

CONCLUSION

From the results of this study it can be concluded that smart work and empowerment increase job satisfaction. Employees who use information technology well feel more productive and satisfied. Employee empowerment, with increased autonomy and responsibility, also increases job satisfaction. Employees who feel empowered are more motivated and engaged in their work.

In addition, job satisfaction has a positive effect on performance. Satisfied employees tend to perform better. Smart work also directly improves performance by making work more efficient. However, empowerment did not have a significant effect on performance, possibly due to inconsistent implementation or other factors. These results emphasize the importance of combining smart work and empowerment to create a satisfying and productive work environment.

Further research using a wider and more diverse sample is needed to validate and extend these findings. Expanding the scope of the study to not only be limited to edutech employees in Jakarta, but also include employees in other regions and industries. Research in various cities and industry sectors such as cyber security, banking, and public services can provide a more comprehensive understanding of the influence of smart work and empowerment on job satisfaction and performance. Thus, the research results will be more representative and can be generalized more broadly, providing richer and deeper insights for the development of management strategies in various organizational contexts.

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